

United States Department of State Bureau of Oceans, Environment, and Science Washington, D.C. 20520

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Dear Marco:

As you know, the Montreal Protocol Parties decided in September 2007 to accelerate the phase outs for developed and developing countries of hydrochlorofluorocarbons (HCFCs). At the same time, that decision "encouraged Parties to promote the selection of alternatives to HCFCs that minimize environmental impacts, in particular impacts on climate..." (Decision XIX/6: Adjustments to the Montreal Protocol with regard to Annex C, Group I substances (hydrochlorofluorocarbons).

Hydrofluorocarbons (HFCs) are today considered some of the most likely alternatives to HCFCs. While uses now of HFCs are relatively small, they are projected to increase dramatically in future years as Parties transition out of HCFCs and as the market for air conditioning and refrigeration in developing countries grows. And while emissions of HFCs pose no problem for the stratospheric ozone layer, they pose a very significant further threat to the climate system because of their high global warming potentials. Thus, we risk solving one global environmental problem while possibly exacerbating another unless other alternatives can be found.

For this reason, the United States has been extremely interested in how best to address the projected future growth of HFCs and how to promote the development of technically and economically feasible alternatives. We are conscious that alternatives exist today for some uses of HFCs, but not all. For this reason, seeking to phase down the consumption and production of HFCs would be preferable to phasing out such consumption and production.

Last November in Doha, the Parties agreed to hold a workshop on HFCs in July 2009 in Geneva in conjunction with the meeting there of the Protocol's Open-Ended Working Group. Because of our interest in this issue and in preparation for the workshop, we held two widely attended meetings with U.S. stakeholders (from the private sector and from environmental organizations) -- on January 29 and on March 27. At the second workshop in particular we discussed the merits of various approaches to HFCs and a number of participants expressed interest in the possibility of amending the Montreal Protocol to provide for a phase down in HFC consumption and production.

Since then, we have received a number of letters from Members of Congress and a number of constituent groups who have urged that we consider amending the Montreal Protocol to provide for a phase down of HFCs.

In the brief time available to us, however, we have not been able to complete the analysis needed to understand the potential impacts of such an approach or to consider how amending the Montreal Protocol to address HFCs would affect negotiations now taking place under the U.N. Framework Convention on Climate Change with respect to the post-2012 period. For these reasons, we are not able at this time to submit a specific amendment proposal.

In this regard, however, we note that the Governments of Mauritius and the Federated States of Micronesia have submitted a specific proposal to amend the Montreal Protocol to provide for a phase down in HFC consumption and production. We understand that their action, prior to the May 4 deadline for the submission of amendments, will put this issue on the agenda for the Meeting of the Parties in November. Their proposal will also help to focus discussions among Parties in connection with the July workshop in Geneva.

We plan to continue actively studying and analyzing this issue. We note that recent analysis by the U.S. Environmental Protection Agency (EPA) of various proposals shows that significant climate benefits could be achieved through a phase down of HFCs, assuming both developed and developing country commitments. The EPA analysis assumes a baseline that is an average of 2004, 2005 and 2006 consumption and control measures starting in 2012. In contrast to the Federated States of Micronesia and Mauritius proposal, however, the preliminary EPA analysis is based on stepwise reductions of approximately10 percent of baseline by 2015, 25 percent by 2020 and 50 percent by 2030, culminating in a final step that is 15 percent of the baseline level by 2039 and assumes a 10-year delay between developed and developing country commitments. As we consider this issue, we will look further at the EPA analysis as well as engaging in additional consultations.

With best wishes,

Daniel A. Reifsnyder

Deputy Assistant Secretary for

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Environment and Sustainable Development